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NAZI WAR CRIMES DISCLOSURE ACT

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NAZI WAR CRIMES DISCLOSURE ACT

CONTROLS

CONFIDENTIAL STATE 154730

FOR RAY MEYER

E.O. 12356: DECL: OADR

TEXT

TAGS: EFIN, TGC, GM

SUBJECT: TWO GOLD BARS IN BUNDESBANK

1. CONFIDENTIAL -- ENTIRE TEXT.

2. BRITISH HAVE RECENTLY EXPRESSED THEIR VIEW THAT SINCE GOLD BARS ARE IN U.S. GOVERNMENT ACCOUNT IN BUNDESBANK U.S. SHOULD IN FIRST INSTANCE SEEK TO RECOVER THEM FROM GERMAN AUTHORITIES. WHILE WE HAVE RESERVATION ABOUT U.S. ABILITY ALONE TO SATISFY GERMAN CONCERNS REQUEST YOU TO SEEK MEETING WITH GERMAN AUTHORITIES TO DISCUSS MATTERS RAISED BY LAST LETTER OF BUNDESBANK.

- 3. YOU MAY NOTE TO GERMANS THAT RECOVERY OF TWO GOLD BARS HAS BECOME OF MORE IMMEDIATE CONCERN SINCE IT IS EXPECTED THAT IN NEAR FUTURE CLAIMS SETTLEMENTS WILL BE REACHED WITH ALBANIA, THE LAST COUNTRY ABOUT TO RECEIVE ITS GOLD, AND THAT FINAL DISTRIBUTION OF GOLD IN POOL WILL FOLLOW AS WELL AS CLOSING DOWN OF TRIPARTITE GOLD COMMISSION.
- 4. YOU SHOULD PROVIDE BUNDESBANK WITH MORE LEGIBLE COPIES OF PRUSSIAN MINT RECORDS FOR THEIR INSPECTION, EXPLAINING THAT ORIGINALS OF THESE RECORDS ARE IN THE POSSESSION OF

THE RUSSIAN AUTHORITIES, BUT THAT WE FOUND MORE LEGIBLE COPIES IN THE DOCUMENTS SUBMITTED IN 1946 BY THE FRENCH GOVERNMENT TO THE TRIPARTITE GOLD COMMISSION. THESE COPIES SHOW THE DECEPTIVE MARKINGS MADE BY THE NAZIS AND WE BELIEVE THEY SHOULD SATISFY THE GERMAN NEEDS.

- 5. YOU SHOULD THEN TAKE UP THE REQUEST THAT THE "US RELEASE THE FRG FROM THIRD COUNTRY CLAIMS" FOR THE GOLD BARS. YOU SHOULD POINT OUT THAT THE U.S. DOES NOT HAVE AUTHORITY TO GIVE SUCH A RELEASE. HOWEVER, AS PREVIOUSLY INDICATED, THE U.S. WILL TURN OVER THE BARS WITHOUT DELAY TO THE TRIPARTITE GOLD COMMISSION FOR INCORPORATION OF THE GOLD IN THE GOLD POOL AND SHORTLY THEREAFTER THE MEMBERS OF THE GOLD POOL WILL EACH GET THEIR SHARE OF THE TWO GOLD BARS AND THE REMAINING GOLD IN THE GOLD POOL. HAVING RECEIVED THEIR SHARE THERE IS LITTLE LIKELIHOOD OF THESE MEMBERS ASSERTING A CLAIM FOR THE BARS AGAINST THE GERMAN AUTHORITIES, ESPECIALLY IN THE LIGHT OF PARAGRAPH B OF PART III OF THE PARIS REPARATION AGREEMENT WHERE THE PARTIES TO THE AGREEMENT ACCEPT THEIR SHARE OF GOLD IN "FULL SATISFACTION OF ALL CLAIMS AGAINST GERMANY FOR RESTITUTION OF MONETARY GOLD" AND IN THE LIGHT OF A COMPARABLE PROVISION IN THE RECEIPT GIVEN TO THE TRIPARTITE GOLD COMMISSION AT THE TIME OF DELIVERY OF GOLD TO MEMBERS OF THE GOLD POOL.
- 6. WE WOULD APPRECIATE IT IF YOU SEEK AN EARLY MEETING WITH THE GERMAN AUTHORITIES ON THIS MATTER AND WE REQUEST REPORT OF THEIR VIEWS PROMPTLY. FYI: WE APPRECIATE THAT THE GERMAN AUTHORITIES MAY PREFER TO OBTAIN A WAIVER BY THE U.S. ON BEHALF OF ALL COUNTRIES MEMBERS OF THE GOLD POOL AND THEIR BANKS OF ISSUE BUT WE HAVE NOT BEEN ABLE SO

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FAR TO GET BRITISH CONCURRENCE IN THIS FORMULA ALTHOUGH IT APPEARS IN FIVE PREVIOUS AGREEMENTS, SOME OF WHICH MAY BE KNOWN TO THE GERMAN AUTHORITIES. FURTHER YOU WILL NOTE WE ARE NOT PROPOSING THE USE OF THE ARGUMENT AGAINST THE GERMANS THAT SINCE THE BARS ARE IN AN ACCOUNT OF THE U.S. GOVERNMENT IN THE BUNDESBANK, THEY SHOULD WITHOUT MORE BE TURNED OVER TO THE U.S. WE PREFER TO STAY AWAY FROM THAT ARGUMENT SINCE WE BELIEVE THE BANK AS BAILEE HAS A LEGITIMATE POINT, KNOWING OF POTENTIAL CLAIMANTS, TO DECLINE TURNOVER TO BAILOR U.S. GOVERNMENT WITHOUT GETTING PROTECTION AGAINST POTENTIAL CLAIMANTS. END FYI. CHRISTOPHER

ADMIN END OF MESSAGE

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